AGREEMENT

ROCK RAPIDS MUNICIPAL UTILITY

and

LOCAL UNION 55, INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS

July 1, 2007 - June 30, 2011

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provisions, statute, ordinance, character, or special act, the exclusive power, duty and right to: Direct the work of its public employees in position within the public agency; suspend or discharge public employees for proper cause; maintain the efficiency of governmental operations; relieve public employees from duties because of lack of work or for other legitimate reason; determine and implement methods, means, assignments, and personnel by which the public employer's operations are to be conducted; take such action as may be necessary to carry out the mission of the public employer; initiate, prepare, certify and administer the budget; exercise all powers and duties granted to the public employer by law, are reserved to and vested in the Utility, subject to the provisions of this Agreement.

ARTICLE III Corporation

- 3.01. The Union agrees for its members who are employees of the Utility that they will individually and collectively perform safe, efficient and diligent service; that they will use their influence and best efforts to protect the property of the Utility and its interests and they will cooperate in promoting and advancing the welfare of the Utility and its service at all times as a matter of enlightened self-interest.
- 3.02. The Utility agrees, on its part, that it will cooperate with the Union to promote safe operations, harmony and efficiency among the Utility's employees under this Agreement.
- 3.03. The Utility and Union jointly and mutually declare it to be their purpose and intent to carry out in good faith the provisions of this Agreement and to engage in no subterfuge for the purpose of defeating or evading the provisions hereof.
- 3.04. Any dispute must be handled as stated herein.
- 3.05. The Union will be allowed reasonable space on bulletin boards for the purpose of posting official bulletins relating to the business of the Union.

ARTICLE IV Settlement of Differences - Grievances - Arbitration

- 4.01. It is agreed that duly authorized representatives of the Union shall have access to the Utility's properties where employees covered by this Agreement are employed; however, that employees' performances are not necessarily to be interfered with. The Union shall keep the manager advised as to the names of stewards and representatives who, at any time, are accredited by the Union to act under this Agreement.
- 4.02. In the event any employee has a grievance or misunderstanding as to his employment by the Utility under the terms of this Agreement, the employee shall follow the following procedure:

- 4.02a. Within ten (10) work days after the alleged violation, the employee will set forth his grievance in writing and submit it to his Union Representative and Supervisor. The Supervisor and Union Representative will then meet with the employee to seek a satisfactory solution.
- 4.02b. If the matter is not settled in Step "a" within ten (10) work days, the grievance shall be referred to the business manager of the Union, or his representative, who will meet with the Utilities Manager or his representative, as soon as possible and make an effort to settle the grievance.
- 4.02c. If the matter is not settled in Step "b" within ten (10) work days (or such longer time as may be agreed in writing), the matter shall be subject to the procedures set forth in Section 3 of this Article.
- 4.02d. Any grievance shall be written in triplicate with the written statement of action taken at every step of the procedure. When the grievance is finally settled, a copy shall be given to the Utilities Manager, the Union Representative, and the employee.
- 4.02e. In the event the Utility has a grievance or misunderstanding involving an employee or the Union, the Utility will follow similar steps until the matter is settled.
- 4.03. Any controversy arising over the interpretation or violation of this Agreement and not otherwise provided for in this contract shall be settled by direct negotiations between the Union and the employer. In the event of the failure to settle such controversy between the Union and the Utility, it may be referred to a board consisting of one (1) representative of the Utility and one (1) representative of the Union and a third neutral member selected by the first two. In case of failure to agree on the third person after five (5) days, either party may request the Federal Mediation and Conciliation Service to nominate five (5) candidates from the roster of arbitrators maintained by the service. The parties hereto agree to accept one of these candidates for the third arbitrator. If one of these is not agreed upon, each party will be allowed to scratch, alternately, two (2) names. The remaining one will be the arbitrator. The majority decision of this board will be rendered in writing and shall be final and binding on both the Union and the Utility in any controversy so settled.
- 4.04. No employee shall lose his wages while the matter is in the hands of a committee or arbitration board for decision, providing such an employee works during this period of time; however, if the arbitration involves the suspension or discharge of an employee and if the employee is found by the arbitration board to have been improperly laid off, suspended, or discharged, then the employee's record shall be cleared of such charges and he shall be paid his guaranteed work time from the time of discharge, suspension or layoff to the time of re-employment.
- 4.05. The board of arbitration shall consider each case solely on its merits and the interpretation of this contract shall constitute the basis upon which the decision shall be rendered. The arbitrators shall determine the correct interpretation and application of this contract or any of its clauses, but

shall have no power to alter, amend, revoke, or suspend any of the provisions of this contract.

4.06. Each party shall bear the expense of preparing and presenting its own case and the expense of its arbitrators. The expense of the third arbitrator shall be paid equally by the parties hereto.

ARTICLE V Seniority

5.01. Seniority, as used herein, shall apply as to length of time in a department and shall apply when bidding to a higher classification and shall be continuous up to the date of discharge or resignation and thereupon, shall be terminated.

Length of service, as used herein, is defined as the right occurring to employees from date of employment which entitles them to preferences provided for in this Agreement.

- 5.02. "Qualifications", as used herein, is defined as training, knowledge, physical fitness, ability and skill of an employee related to the particular work in connection with which the term is used. Qualifications, as defined herein, shall be determined solely by the Utility subject to the grievance procedure.
- 5.03. Seniority of new employees.
 - 5.03a. All new employees shall be hired as probational or as temporary employees.
 - 5.03b. All new employees covered by the classifications made a part of this Agreement shall serve a probationary period of twelve (12) months, and may be released at any time during such period if the Utility decides they are not qualified or suited for employment. All such employees shall be added to the seniority lists and covered by the provisions of this Agreement upon completion of this probationary period, and the length of service date of the employee shall be the date of last hire.
 - 5.03c. All new employees who are hired on temporary basis are subject to release when the particular work for which they were hired has ceased to exist; and in accord with the subcontracting provisions of this Agreement and further, if the employee remains longer than the probationary period, shall be subject to the terms and provisions of this Agreement.
- 5.04. Employees who have been laid off because of lack of work as defined in this Agreement shall retain their accumulated seniority for a period of one (1) year if they return to the employment of the Utility as promptly as circumstances permit, but not to exceed thirty (30) days except by mutual agreement, after notification by the Utility of its willingness to re-employ them.
- 5.05. Seniority rights shall govern in the matter of layoff or rehiring arising from periods of slack

- work. The first man to be laid off in any classification shall be the man with the least Departmental seniority in that classification; but upon layoff, such man may bump another man in any lower classification who has less seniority providing the first man is qualified, after a reasonable break-in period, to perform this job. The last man laid off shall be the first one recalled under the conditions mentioned in the preceding paragraph.
- 5.06. Regular employees on seniority lists released due to lack of work, or for cause not the fault of the employees, shall be entitled to two weeks advance notice in writing. Employees discharged for just cause shall not be entitled to any advance notice, but may request a joint hearing before the Utility and the Union in accordance with the grievance provisions of this Agreement. Regular employees on seniority lists leaving the employment of the Utility of their own violation shall give the Utility two (2) weeks notice or forfeit all rights under this Agreement.
- 5.07. The Utility shall notify the Union Steward at the same time that it notifies the Employee that he is being laid off under the provision of this Section.
- 5.08. The principles of seniority shall govern in promotions, demotions, and the filling of old and new jobs providing the employee has the necessary qualifications to perform the work properly and efficiently and subject to the provisions of this Article. All promotions shall be on a six (6) months trial basis. If the employee is found to be unqualified, he shall be returned to his old job with no loss of seniority.
- 5.09 All job vacancies, including old as well as new jobs covered by this Agreement shall be filled by the following procedure:
 - 5.09a. The vacancy or new job shall be posted in all areas of the Utility on the bulletin board provided for the Union, for a period of three (3) working days for signature of bidders. Such bid posting to state job classification which is open, location of work and starting rate of pay.
 - 5.09b. Employees, who at the time, are absent during this entire period due to sick leave, vacation or other valid reason, shall be given opportunity to bid for the job by the immediate supervisor in charge of such employees making proper notation on the bid list.
 - 5.09c. When a vacancy is filled through the above procedure, the Utility shall within thirty (30) days of the original posting date, post a notice giving the name of the employee awarded the assignment, and a copy of the notice shall be sent to the business manager of the Union. An employee shall not be required to exercise his seniority rights, nor shall be sacrifice any future rights to bid on later vacancies through his failure to do so. No vacancy shall be considered permanently filled unless it has been filled through the above procedure.
 - 5.09d. If, after following the above procedure, no qualified bids are received, the Utility shall be free to fill the job by hiring a new employee or the Utility may require a qualified employee with the least seniority to transfer to the new job. If any existing employee is

required to transfer to a new job, such new job shall be of the same or higher classification as the employee's present job.

- 5.10. Employees of the Utility covered by this Agreement who shall serve in the armed forces of the United States shall have such benefits as are provided by laws of the United States.
- 5.11. Any employee of the Utility covered by this Agreement who is injured while on duty shall continue to accumulate seniority during his absence due to injury, and shall be reinstated upon recovery to his former position with full seniority rights, provided he is physically qualified to return to work. It is understood that when such a man returns to work, the regular rules of seniority will prevail for those men below him on the seniority list, unless otherwise mutually agreed upon between the Union and Utility.

ARTICLE VI Working Conditions

- 6.01. When it is necessary for an employee to work away from the normal areas of the Utility in the service of the Utility, the Utility will pay the actual, reasonable, and necessary lodging and meal expense upon presentation of receipts. When an employee is working to assist another organization away from the normal area of the Utility, he shall be paid his normal rate of pay or the prevailing rate of pay, whichever is higher, for all hours worked and for his travel time. Should an employee be required to use his personal vehicle, he shall be reimbursed at the IRS-approved rate for mileage.
- 6.02. The Utility shall pay the cost of safety glasses and any prescriptive correction (but not the cost of an examination) required and shall replace them when lost or broken in service of the Utility. Each employee shall be expected to furnish his own hand tools and the Utility shall replace them when lost, stolen, or broken in service to the Utility. All other tools and equipment shall be furnished by the Utility and kept in fixed locations. Such equipment and tools shall not be removed from the premises without prior approval of the manager and/or Utility Coordinator.
- 6.03. The Utility will furnish all necessary safety equipment for the protection of employees and it is the rules of the parties hereto that it be used. The "Safety Rules for an Electric Utility" of the "American Public Power Association" are made a part of this Agreement by reference and it is the agreement of the parties hereto that they be obeyed.
- 6.04. The Utility shall furnish the following uniforms in accordance with the following schedule and employees shall be expected to wear them only in the service of the Utility.

The Utility shall furnish annually:

2 pair of summer pants 2 pair of winter pants 2 summer shirts

2 winter shirts

The Utility shall furnish and replace as needed:

1 jacket with insulated liner

I insulated coverall

1 pair leather summer gloves

1 pair leather winter gloves

I rain parka with hood

1 pair of rain pants

Sufficient pairs of hipboots kept at the Utility to be available for employees when needed.

- 6.05. When it is necessary for an employee to standby for a week or any part thereof, he shall be paid \$100.00.
- 6.06. The normal retirement date of the employees covered by this agreement will be the first day of the month coincident with or next following the month during which the employee's 62nd birthday occurs. The early retirement date of the employees covered by this Agreement will be the first day of the month coincident with or next following the month during which employee's 55th birthday occurs. An employee electing early retirement must have 15 continuous years of service with the Utility to qualify for retirement benefits, except for FICA and IPERS benefits, which are provided by the Utility in this Agreement. Employees electing to retire on the normal retirement date, the early retirement date or any date thereafter will notify the Utility as soon as possible of their intent to retire. Employees who, because of age, physical disability, or lack of other qualifications, are unable to perform the duties of a regular job classification, may be retained or employed by agreement between the Utility and the Union as to the special conditions of their employment and rates of pay.
- 6.07. Physical examinations shall be required of new employees prior to employment. The Utility shall pay the cost of physical for employees and designate the physician.
- 6.08. The Utility agrees that it will not contract any work which is ordinarily done by its regular employees, if as a result thereof, it would become necessary to lay off or reduce the rate of pay of any such employee.
- 6.09. Regular pay periods shall be for two (2) full weeks ending Friday. Paychecks shall be issued on Thursday.
- 6.10. An employee of the Utility who may be duly delegated to transact business for the Union, other than with the Utility, which requires absence from duty, shall upon one forty-eight hours written notice to the employee's immediate supervisor and with the permission of the proper representatives of the Utility, be allowed to absent himself without pay for sufficient time to transact

such business. Permission will not be unreasonably denied.

6.11. An employee required to continue to work for a period longer than two (2) hours beyond the scheduled quitting time shall be entitled to a meal of reasonable expense furnished or paid by the Utility and to an additional meal for each additional six (6) hours worked thereafter.

An employee who is called to work before or after his regular work day schedule and misses a meal thereby, shall be entitled to a meal for each additional 6 hours worked, paid for by the Utility. Overtime meals shall be eaten on the Utility's time. Whenever possible, normal meal times shall be observed. Meal times are defined as follows:

Breakfast

7:00 - 7:30 a.m.

Dinner

11:30 a.m. to 12:30 p.m.

Supper

6:00 p.m. to 6:45 p.m.

- 6.12. The Utility provides one fifteen (15) minute rest period each working half day to be taken at the job site when the employee's work or time permits with no extra travel time allowed.
- 6.13. The Utility will not require men covered by this Agreement to work out of doors during unreasonable weather condition unless such work is necessary to protect life or property or maintain service to the public.
- 6.14. Each employee shall be assigned an established job classification and shall receive the proper rate of pay in accordance with Exhibit "A" attached hereto and made a part hereof of this Agreement for the performance of the duties of the classification and incidental duties. The parties agree that each employee has the responsibility to carry out assignments in the job classification in which he is working either alone or together with other employees consistent with safety.

Although an employee will normally perform work associated with his classification, he will be expected to perform any work which he is qualified to do connected with the operation of the Utility, or the City of Rock Rapids, no matter what his work classification may be. No employee shall suffer a reduction in pay for doing work of a lower paid classification, and shall be paid at the rate of a higher classification for all hours when doing such work.

- 6.15. Job classifications and descriptions for old as well as new jobs are made a part of the Agreement by references and shall be negotiated between the Union and the Utility.
- 6.16. Apprentice lineman are understood to be employees in training to become Journeymen Linemen are subject to the following rules:
- 6.16a. Apprentice Lineman shall have three (3) years on the job training and will receive the rates of pay provided in Exhibit "A".

- 6.16b. For the first six (6) months, apprentices shall not work on energized lines or circuits.
- 6.16c. After the first six (6) months, apprentices may work on all lines and circuits when not energized and on energized lines and circuits up to 600 volts.
- 6.16d. After one (1) year, apprentices may work on energized lines and equipment under the direct supervision of a Journeyman.
- 6.16e. The foregoing apprentice training schedule based on a normal three-year period is effective if the apprentice makes normal progress in learning the work and acquiring and using linecraft skills. If any apprentice does not make such normal progress, his employment as an apprentice lineman shall be terminated for lack of qualifications. The normal three-year apprentice training period may be reduced as determined by the Utility to give appropriate recognition to job training and skills acquired from approved vocational training schools or from training acquired from other comparable training programs.

ARTICLE VII Working Hours - Overtime

7.01. The normal work week shall consist of forty (40) hours of five (5) consecutive days, Monday through Friday, and the normal work day shall consist of eight (8) hours between 7:30 a.m. and 4:30 p.m., with one hour for lunch between 11:30 a.m. and 12:30 p.m.

Summer hours will be from Memorial Day through Labor Day. One-half of the crew will work from 7:00 a.m. to 3:30 p.m. with one half hour for lunch. The other half crew will work regular hours. The crews will alternate weeks.

Employees who are required to work shifts may have starting times other than 7:30 a.m., and days off other than Saturday and Sunday. For those employees, the two days off shall be considered a weekend and all overtime provisions shall apply to those days.

- 7.02. When it is necessary for hourly paid employees to report to work before their regular starting times or work more than eight (8) hours in a workday, those employees shall be paid one and one-half (1 ½) times their scheduled rate of pay for such hours. Overtime pay will also prevail after forty (40) hours of credited time. From 12:00 midnight until 6:00 a.m. the applicable overtime rate shall be two (2) times the normal rate of pay. When an employee is required to perform emergency work on a Sunday or in a case of a shift worker, the second day off, he shall be paid two (2) times his normal rate of pay. The foregoing will not apply to the employee on standby when performing routine duties.
- 7.03. A minimum of two (2) hours pay at regular overtime rates shall be allowed to all employees who are called to work after having been released from the regular day's work, or if called before their regular starting time of any day.

7.04. Overtime shall be distributed as equally and practicable among the men within the classification who regularly perform the class of work being done. Temporary and part-time employees shall not be eligible to work overtime until all regular full-time employees have turned down such overtime work. When an employee is called to work overtime and he turns down the call, he will be charged, for overtime distribution purposes, with the same number of equivalent hours which the employee who accepts the call is charged. A designated Union Representative may have the privilege of examining the Utility's overtime distribution list.

The Utility will post on appropriate bulletin boards monthly overtime report listing the amount of overtime worked by each employee during the pay periods included in the previous month, and for the year to date, and overtime hours shall be shown on the list in equivalent straight time hours.

Employees shall not be required to take time off during regular scheduled work hours for overtime worked or to be worked.

- 7.05. An employee who has worked sixteen (16) hours or more in any twenty-four (24) hour period shall be paid at double the straight time rate for all hours worked in excess of sixteen (16) hours, and shall upon release, be entitled to a six (6) hour rest period before he returns to work. If this period extends into his regular scheduled working hours for six (6) hours or more, he shall be excused from his regular tour of duty for that day, and shall lose no pay thereby. If the rest period extends into his regular scheduled hours by less than six (6) hours, he shall be excused from that portion of his regular hours, and lose no pay thereby. After receiving such rest period, the employee shall not thereafter become subject to the provisions of this Section until he, again, works sixteen (16) hours in a subsequent twenty-four (24) hour period. Such subsequent twenty-four (24) hour period shall not commence earlier than his reporting to work following the rest period. The twenty-four (24) hour period shall commence at the start of the regular work day.
- 7.06. All overtime work shall be authorized by a designated representative of the Utility management.
- 7.07. Between the hours of 10:00 p.m. and 7:00 a.m., an employee shall be entitled to six (6) hours continuous rest. If, because of duty or emergency work, the rest period is disturbed, an employee shall be allowed to absent himself with pay to rest for an amount equivalent to six (6) hours.

ARTICLE VIII Holidays

8.01. The Utility will pay each of its employees eight (8) hours of regular pay for the following holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Veterans' Day, Thanksgiving Day, day after Thanksgiving, one-half (½) Christmas Eve day p.m., Christmas Day and one-half (½) New Year's Eve day p.m. Whenever the holiday falls on a Saturday, the preceding day is considered to be a holiday. Whenever the holiday falls on Sunday, the following day is

considered the holiday. If Christmas day falls on Saturday, Thursday afternoon shall be observed as a holiday for Christmas Eve day. If Christmas falls on Sunday, Friday afternoon shall be observed as a holiday for Christmas Eve day.

Whenever an employee is required to work on a holiday to maintain or restore service or protect equipment or has the approval of his immediate superior or foreman, the Utility will pay the employee the allowed holiday straight time plus double time for the number of hours worked. In the event a holiday falls within an employee's vacation period, the employee is entitled to one (1) extra day's vacation.

ARTICLE IX Vacations

- 9.01. All full-time regular employees covered by this Agreement shall be entitled to vacations each year and shall be expected to take vacation during the current year in accordance with the following:
 - 9.01a. In the first year of employment, vacation accrues at a rate of 5/12 days per month.
 - 9.01b. In the second year of employment, vacation accrues at a rate of 10/12 days per month and each year thereafter through the seventh (7^{th}) year.
 - 9.01c. In the eighth year, vacation accrues at a rate of 15/12 days per month and each year thereafter through the fifteenth (15th) year.
 - 9.01d. In the sixteenth year, vacation accrues at a rate of 20/12 days per month, and each year thereafter through the twenty-third (23rd) year.
 - 9.01e. In the twenty-fourth year and each year thereafter, vacation accrues at a rate of 25/12 days per month.
- 9.02. Vacation year shall be from the employee's anniversary date through the next anniversary date. An employee may carry forward five (5) days vacation from one vacation year to the next vacation year.
- 9.03. Employees shall receive their regular rates of pay for their regular scheduled work week for each week of vacation. Vacation may be taken in units of not less than four (4) hours either in the morning or the afternoon.
- 9.04. The Utility will respect the wishes of the employees as to the time of taking vacations, subject to work load, needs of the Utility and seniority.
- 9.05. Any employee who leaves the employment of the Utility shall be paid for any proportional vacation rights earned.

ARTICLE X Sick Leave - Other Leave

- 10.01. Temporary and part-time employees are not eligible to accrue sick leave benefits. All other employees shall accrue sick leave at a rate of 18/12 days per month to a maximum of 120 work days.
- 10.02. In the event of sickness or off-the-job injury, the employee will receive eight (8) hours straight time pay at the employee's regularly classified wage rate for each work day that he is sick or unable to work because of such sickness or injury to the extent of his earned sick leave credit; but no more than forty (40) hours of sick leave benefit at a straight time pay in any one week. Should a supervisor dismiss an employee for illness, sick leave benefit shall be automatically allowed for the remainder of the day. Sick leave is in no way to be construed as additional vacation time.
- 10.03. Upon retirement or death (to the beneficiary), an employee will be paid for 15 percent of his accumulated but unused sick leave, provided he has ten (10) years continuous service with the Utility. Upon termination of employment for any other reason, other than firing, an employee, will be paid for 15 percent of his accumulated but unused sick leave, provided he has 15 years continuous service with the Utility.
- 10.04. The granting of sick leave is subject to the following requirements:
- 10.04a. Prompt notification. An employee, who is to be absent on account of sickness or off-the-job injury, shall notify his supervisor or the Manager as early as practicable on the first day of such absence and in advance of his regular scheduled hour of reporting to work. Failure to give such notice may result in the absence being charged to vacation or leave without pay as circumstances may justify.
- 10.04b. Application that requires prior approval. Applications for sick leave for medical, dental, optical and chiropractic examinations or treatments shall be submitted to the department head accompanied with physician's recommendations, prior to the beginning of leave. If the Union and the Utility agree that the period of leave required is not reasonable, it shall be charged to annual vacation or leave of absence.
- 10.04c. Sick leave benefits will not be available for any employee for injuries sustained by such employees while engaged in or employed by any business other than the Utility.
- 10.04d. Any employee found guilty of abusing the sick leave provisions contained in this Agreement shall be subject to discipline not only by the Utility, but also by the Union.
- 10.04e. Any employee who is hereafter injured and disabled while on duty and while obeying the safety rules of the Utility, shall continue to be paid 90 percent of his regular straight time rate for forty (40) hours each week, but not to exceed eighteen (18) weeks while his workman's

compensation check shall be deducted from his regular paycheck. If the period of disability for such an employee continues for more than or beyond the eighteen (18) weeks from referred to above, then the Iowa State Compensation shall apply for the continuing period of disability. Absence from work due to job incurred injury as detailed in the foregoing paragraph, shall not be charged against the employee's sick leave credit. The use of accumulated sick leave shall apply after said eighteen (18) weeks less any payments made to them under Workman's Compensation.

- 10.04f. Actual time not to exceed two (2) hours with pay shall be granted for medical, dental or chiropractic appointments.
- 10.05. The Utility will grant up to three (3) days off with pay in the event of the death or grave illness in the employee's immediate family, defined as wives, husbands, fathers, mothers, fathers-in-law, mothers-in-law, brothers, sisters, sons, daughters, and grandchildren. One (1) day off with pay will be granted in the event of death or grave illness of an employee's brother-in-law, sister-in-law, foster parent or grandparent.
- 10.06. The Utility will grant the necessary time up to one (1) day off with pay to attend a funeral or when requested to serve as pallbearer.
- 10.07. Employees called to serve on civic duty will be paid the difference in pay between the check received for civic duty and their regular pay.

Employees shall show the check received for civic duty and the Utility will pay the difference. Upon release from civic duty, an employee will be expected to return to work.

10.08. The Utility will grant sufficient time off, not to exceed two (2) hours, without loss of pay to attend personal business that cannot be transacted outside normal working hours. Whenever possible, personal business will be transacted outside normal working hours. Usage of this section is limited to twice per contract year.

ARTICLE XI Insurance - Retirement - Miscellaneous

- 11.01. The Utility agrees to annually reimburse 50% of what the employee pays towards the required deductible.
- 11.02. The rates and contributions for both the Utility and the employees for the 2006-2007 years are shown in Appendix B.
- 11.03. If the premium increase effective April 1, 2007, is 10 percent or greater, the parties will meet and confer to determine if insurance benefits should be modified.
- 11.04. The Utility agrees to continue to make contributions into FICA and IPERS in accordance

with the applicable rates.

11.05. A joint labor-management committee comprised of one (1) representative designated by the Union and one (1) representative designated by the Utility shall investigate and determine appropriate training and schools to be attended by employees. The committee shall report to the Board of Trustees at their regularly scheduled meetings.

ARTICLE XII IAMU Drug Testing Program

12.01 Substance Abuse Policy. If the test of an employee, who is subject to the requirements of 49CFR part 199, results in an MRO verified positive test for the use of drugs, the employee shall immediately be dismissed from his or her position only if said employee refuses to request in writing, a retest of the original sample that produced the confirmed positive test result. The written request for a retest must be filed with the Utility on the same day that the employee received the positive test from the MRO. The employee may specify retesting by the original laboratory or by a second laboratory that is certified by the Department of Health and Human Services. The employee must pay in advance the cost of shipment (if any) and reanalysis of the sample. The employee will be reimbursed for such expense if the retest is negative. If the results of the retest are a verified positive test for the use of prohibited drugs, the employee shall be immediately dismissed.

In the event the employee requests a second test as provided under the law, during the period that the Utility must wait to obtain the results of the retest, the employee shall be transferred temporarily to another department or job within the Utility which does not require a drug test. The results of any positive drug test and reasons for dismissal will remain confidential, except as provided by the Federal regulations. Any employee who refuses a drug test as permitted by 49 CFR part 199, shall immediately be dismissed from his or her position.

ARTICLE XIII Savings Clause

13.01. In the event any provisions of this contract conflict with the existing laws of the United States or of this State, as determined by a court of competent jurisdiction, that part of said contract in conflict therewith shall not be applicable until such laws be changed, either by legislative action or judicial interpretation. It is specifically agreed, however, that all provisions of said contract not in conflict with the applicable laws shall be enforceable, and only that part that conflicts with said law shall be unenforceable; and nothing contained in this contract shall be construed as to require the employer or the Union to violate any applicable laws. Both employer and the Union state that it is their intent to comply with all existing laws.

This Agreement shall be effective as of the 1st day of July 2007, and shall continue in full force until the 30th day of June 2011, and shall automatically be extended for each subsequent yearly

period unless either the Utility or the Union shall give notice in writing two hundred forty (240) days prior to the expiration of any such period that they wish to amend or terminate this Agreement.

- 13.02. If the Agreement is reopened as provided in Section 1 of this Article, new or revised proposals may be presented in the course of negotiations.
- 13.03. Negotiations with regard to renewal agreement shall start not less than two hundred ten (210) days prior to the expiration of the Agreement.

13.04.	This Agreement shall be binding and all previous policy	declarati	ons or statements sl	hall be
	hiov hi)	

Chairman of the Board of Trustees

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Business Manager

Chairman, L.U. #55.14

EXHIBIT "A"

(The wage rates have been increased by \$.29 per hour for a special adjustment and an additional increase of \$.98 per hour to determine the hourly wage rates beginning 07-01-2007. This Exhibit also reflects a negotiated increase in hourly wage rates of \$1.00 beginning 07-01-2008, \$1.05 beginning 07-01-2009 and \$1.10 beginning 07-01-2010)

Classifications		<u>07-01-2007</u>	07-01-2008	07-01-2009	<u>07-01-2010</u>		
Journeyman Lineman 100%		\$19.70	\$20.70	\$21.75	\$22.85		
Apprentice Lines	nan		\$ ¹ 2.7				
1 st 6 months	70%	\$13.79	\$14.49	\$15.23	\$16.00		
2 nd 6 months	75%	\$14.78	\$15.53	\$16.31	\$17.14		
3 rd 6 months	80%	\$15.76	\$16.56	\$17.40	\$18.28		
4th 6 months	85%	\$16.75	\$17.60	\$18.49	\$19.42		
5 th 6 months	90%	\$17.73	\$18.63	\$19.58	\$20.57		
6 th 6 months	95%	\$18.72	\$19.67	\$20.66	\$21.71		
Waste and Waste Water Plant							
Operator and Ga	s Serviceman 1	- X 1€	\$20.15	\$21.20	\$22.30		
1 st 6 months	80%	\$15.32	\$16.12	\$16.96	#17 0 4		
2 nd 6 months		*	•	•	\$17.84		
	85%	\$16.28	\$17.13	\$18.02	\$18.96		
3rd 6 months	90%	\$17.24	\$18.14	\$19.08	\$20.07		
4 th 6 months	95%	\$18.19	\$19.14	\$20.14	\$21.19		

APPENDIX "B"

Insurance Rates and Contributions

Year 2006-2007

Insurance	\$500.00 /\$1,500	\$500.00 /\$1,500.00 Deductible			
Category	Rates	Utility	Employee		
Single	\$362.85	\$362.85	0		
2 Party	\$855.04	\$756.60	\$98.44		
Family	\$1,000.40	\$872.89	\$127.51		

LETTER OF UNDERSTANDING

ROCK RAPIDS MUNCIPAL UTILITY and IBEW LOCAL 55

The Parties agree that during the 2007-2011 contract term insurance premiums will be paid as follows: The Utility will pay one hundred percent (100%) of the employees' single coverage and eighty percent (80%) of the family premium incurred above the single rate. Employees utilizing the family plan will pay twenty percent (20%) of the difference between the single and family premium. The insurance deductible will be \$500/\$1500.

Rock Rapids Municipal Utility

Date: 5-9-07

IBEW Local 55

Date: 5/18/07